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MANUAL REVISION INSTRUCTIONS

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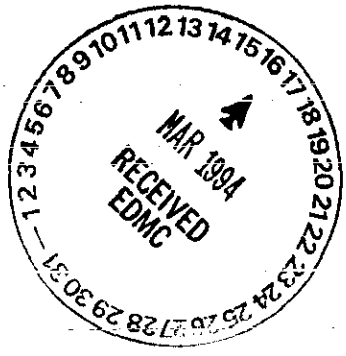

E M Schroeder, Manager Management Standards E.M. Schroeder	Date 7-6-89	I have personally received the revisions identified for release in this package and assume full responsibility for updating my manual in accordance with instructions.	
P A Thurman, Manager Document Control P.M. Kuckarden FOR	Date 7/10/89	Custodian D.B. Patterson	Date 7-19-89

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TITLE:

PROCUREMENT DOCUMENT CONTROL

Approved by

K. R. Jordan
Manager, Quality Assurance

NOTE: Requirements of MRP 5.43 REV 4 and MRP 5.46 REV 1 are not reflected in this revision but are in the process of being incorporated per QA's Compliance Plan.

1.0 PURPOSE

This instruction implements QR 4.0, "Procurement Document Control," and provides instructions in the control of procurement documents for procured materials, equipment, and services.

2.0 SCOPE

This instruction describes Quality Assurance Engineer (QAE) participation in the development and control of procurement documents.

3.0 REQUIREMENTS

1. ANSI/ASME NQA-1, "Quality Assurance Program Requirements for Nuclear Facilities," shall be applied in whole or in part to impact level 1, level 2, and selected level 3 procurement documents involving activities affecting quality. These activities include, but are not limited to:

   - o Design
   - o Design and fabrication
   - o Fabrication to Westinghouse Hanford Company (WHC) specifications and drawings
   - o Manufacture and assembly to WHC specifications and drawings
   - o Testing
   - o Procurement of materials to special requirements such as ASME standards
   - o Procurement of services for special processes.

   NOTE: Commercial Grade Items designated impact level 1, 2, or 3 may be procured to alternate requirements as specified in QR 7.0.

2. The QAE shall review purchase requisitions (PRs) or store orders (SOs) for designated impact levels 1, 2, and 3 items.

3. Supplier generated documents shall be controlled, handled, and approved in accordance with established procedures (refer to WHC-CM-2-1 and WHC-CM-6-1). Controls shall be established to assure that the submittal of these documents is accomplished in accordance with the procurement document requirements. These measures shall provide for the acquisition, processing, and recorded evaluation of technical, inspection, and test data against acceptance criteria.

4. The impact level shall be written numerically (1, 2, 3 and 4).

5. Procurement documents shall be reviewed for compliance with quality assurance requirements and identify quality verification requirements.

6. Hold and witness point requirements, when applicable, shall be established in the applicable procurement documents (refer to Procurement Clause E07).

4.0 RESPONSIBILITIES

4.1 REQUISITIONER

The requisitioner is responsible for:

1. Incorporating the appropriate content requirements of QR 4.0 in each procurement document package.

2. Obtaining approvals in accordance with the impact level system.

3. Providing the package to the QAE for review and approval.

NOTE: Administrative instructions for completing a 1) Purchase Requisition is documented in WHC-CM-2-1, Procurement Manual and Procedures, Procedure No. 1; and 2) SOs are documented in WHC-CM-2-2, Materials Management Manual, MCP-11.

4.2 QUALITY ASSURANCE ENGINEER

The QAE is responsible for:

1. Assisting the requisitioner/cognizant engineer in specifying quality assurance program requirements, quality verification requirements, and quality documentation requirements for impact level 1, 2, and 3 items and services.

2. Reviewing and approving PRs and SOs for impact level 1, 2, and 3 items and services.

3. Providing a post-award review of purchase orders (POs).

4.3 BUYER

The buyer is responsible for the contractual requirements contained in POs and for administration of the technical and quality assurance requirements of the procurement.

5.0 PROCEDURE

The QAE shall:

1. Review preprocurement plans and make recommendations for approval. Assist requisitioner in completing Quality Assurance Requirements Block (refer to Procurement Procedure No. 7). Forward to the cognizant QA group manager for approval. Review proposed suppliers list (see 5.0, item 6).

2. Review and approve impact level 1, 2, and 3 PRs.

CONTACT QA FOR ASSISTANCE IN COMPLETING THE BLOCKS BELOW		
Impact Level	Applicable QA Clauses	
End Use		
QA Approved Supplier Req'd ☐ Yes ☐ No Surveyed To	QA Review of Proposal ☐ Yes ☐ No	
Source Insp. Req'd ☐ Yes ☐ No Plan Prepared By	Receipt Insp. Req'd ☐ Yes ☐ No Plan Prepared By	Receipt Insp. Location BLDG. PHONE

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Review shall include, but not be limited to the following items:

- Verify that the impact level and end use are identified and that they are correct (refer to WHC-CM-1-3, Management Requirements and Procedures, MRP 5.43, "Impact Level").

- Determine which ANSI/ASME NQA-1, Basic Requirements and Supplements, apply to the order. Fill out the Quality Assurance Requirements form (see Appendix 1) and ensure that it is returned to the buyer with the PR.

- Determine which procurement clauses (see Appendix 2) are appropriate and verify that they are included in the PR. Special clauses may be added by the QAE if the standard clauses are not adequate.

NOTE: The following clauses are examples of clauses that may apply:

- When Source Inspection is involved:

  E02 - Quality Program
  E07 - Fabrication/Inspection/Test
  E08 - Buyers Source Inspection
  E11 - Certificate of Compliance
  E12 - Nonconformance Documentation and Reporting
  E14 - Documentation

- When Receiving Inspection only is invoked:

  E02 - Quality Program
  E11 - Certificate of Compliance
  E12 - Nonconformance Documentation and Reporting
  E14 - Documentation

o Verify that technical documents used for procurement are released and controlled in accordance with WHC-CM-6-1, Standard Engineering Practices.

o Verify that correct delivery location for receiving inspection is properly designated (refer to QI 7.4, "Receiving Inspection").

o Verify that special items (items too large or heavy for normal handling, or requiring specific controls) are directed to an appropriate location and that special instructions, if required, and any special handling requirements are identified.

o Verify that when Receipt Inspection Required is checked "Yes", the person responsible for preparing the Plan is identified.

o Assure that adequate provisions are made for inspection and acceptance of drop shipments (consider requirements at both supplier and receiving company).

o Assure that when source inspection is required, the QAE responsible for preparation of the Source Inspection Plan is identified.

o Determine if the QAE needs to review the proposals. If so, mark "Yes" in the QA Review of Proposal block.

3. Provide verbal approval for phone-in emergency requisitions to the Emergency Purchasing Clerk for impact level 1, 2, and 3. Written approval of the requisition by the QAE shall follow within 10 working days (refer to Procurement Procedure No. 6.3).

4. Prepare any special quality assurance requirements to correct previously identified problem areas and provide them to Engineering and/or the buyer via a PR alteration.

5. Assure that when components or equipment such as radioactive material packages are procured for the Nuclear Regulatory Commission licensed facilities, the PR and PO include Procurement Clause E13, which invokes 10 CFR 21, "Reporting of Safety Defects and Noncompliance."

6. Provide input to the proposed suppliers list when a surveyed supplier is required for impact levels 1, 2 and 3. Mark "Yes" on the requisition in the QA Approved Supplier Required block and complete "Surveyed To" block. The following criteria should be considered:

   - Any proposed supplier who is listed in the Evaluated Supplier List (ESL) and meets all specified ANSI/ASME NQA-1, Basic Requirements (BRs) may be included.

   - Any proposed supplier on the ESL who does not meet specified BRs may be approved provided there is objective evidence that the supplier can meet those BRs prior to order placement.

   - Any proposed supplier not on the ESL shall be evaluated in accordance with QI 7.2.

     NOTE: Quality Assurance maintains files of survey results, audits, history, and programs for suppliers as well as other outside sources of information that shall be utilized.

   - Westinghouse Hanford Company does not solicit proposals only from known qualified suppliers. Consequently, the QAE will evaluate suppliers prior to order placement rather than prior to issuing a Request for Proposal (RFP).

   - If a request for a RFP is received as a result of a Public Notice - Commerce Business Daily Synopsis, the supplier should be requested to furnish capability information (i.e., Quality Plan; QA Manual; Facilities, Equipment and Manufacturing Procedures; Nondestructive Test Personnel Qualification/Certification Procedures; Nondestructive Test Procedures). They may be added to the supplier's list if the information shows there is a reasonable expectation that they

can qualify to the specified basic requirements of ANSI/ASME NQA-1.

- o Assist the Source Evaluation Board in developing evaluation criteria, as necessary. The Manager, QA will participate in accordance with Procurement Procedure No. 15.2.

7. Approve order placement for impact level 1, 2, and 3 items when a non-surveyed supplier is the intended supplier. This approval shall be made after a thorough evaluation of the proposed supplier's capabilities, including QA manual, procedures, manufacturing facilities and inspection capabilities. A pre-award survey per QI 7.2 shall be performed prior to any disapproval or order placement.

8. Participate in PO negotiations concerning items affecting quality assurance requirements. When an intended supplier is identified as having a marginal quality system, a source surveillance plan shall be developed. In addition, any extraordinary effort by QA, Engineering or Purchasing to assure delivery of an acceptable product, over that normally anticipated when using a fully qualified supplier, shall be planned in sufficient detail to allow cost estimates for such extra effort.

9. Post review PO and modifications for impact levels 1, 2, and 3 to verify that placed orders are consistent with the PR as approved. Documentation of review is not required unless inconsistencies are found. Pre-award reviews of RFPs and POs are not required by the cognizant engineer and QAE.

10. Review and approve procurement document changes or exceptions affecting quality.

11. Review quality-related documentation submitted by the supplier, approving it when required (QA Plans, Nonconformances, Waivers, Subcontractor QA Plans, etc.). Supplier's QA procedures that have been previously approved need not be reviewed if:

    - o There is no change in the previously approved procedures
    - o The product is equivalent to that for which the procedure was originally approved
    - o There is no history of unresolved problems resulting from the supplier's use of the procedures.

12. Review and approve impact level 1, 2, and 3 SOs. The QAE approval will be in the "Authorized By" block.

6.0 REFERENCES

1. 10 CFR 21, "Reporting of Defects and Noncompliance."

2. ANSI/ASME NQA-1, "Quality Assurance Program Requirements for Nuclear Facilities."

3. WHC-CM-1-3, Management Requirements and Procedures, MRP 5.43, "."

4. WHC-CM-2-1, Procurement Manual and Procedures,
   Procedure No. 1
   PP-6.3, "Emergency Requisition"
   PP-7, "Preprocurement Planning"
   PP-15.2, "Best Qualified Source Selection."

5. WHC-CM-2-2, Materials Management Manual, MCP-11, "Preparing and Processing Store Orders and Credit Orders."

6. WHC-CM-4-2, Quality Assurance,
   QR 4.0, "Procurement Document Control"
   QR 7.0, "Control of Purchased Items and Services"
   QI 7.2, "Supplier Evaluation"
   QI 7.4, "Receiving Inspection."

7. WHC-CM-6-1, Standard Engineering Practices.

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SUPPLIER EVALUATION

Approved by

K. R. Jordan

K. R. Jordan
Manager, Quality Assurance

NOTE: Requirements of MRP 5.43 REV 4 and MRP 5.46 REV 1 are not reflected in this revision but are in the process of being incorporated per QA's Compliance Plan.

1.0 PURPOSE

This instruction establishes the procedure for evaluation of offsite supplier's programs for the applicable ANSI/ASME NQA-1, "Quality Assurance Program Requirements for Nuclear Facilities" and ASME quality assurance program requirements for inclusion of suppliers on the Evaluated Suppliers List (ESL) and for maintenance of the ESL.

2.0 SCOPE

These requirements apply to procurements with suppliers who furnish impact level 1, level 2, or selected level 3 items or services.

3.0 REQUIREMENTS

1. Suppliers shall be selected based on Westinghouse Hanford Company (WHC) evaluation of their capability to provide items or services in accordance with the requirements of the procurement documents.

2. Evaluation of a supplier shall be performed prior to purchase order award and the results of the evaluation documented.

3. Procurement source evaluation and selection measures shall be implemented by WHC and shall provide for identification of organizational responsibilities for determining the supplier's capability.

4. The evaluation and selection of procurement sources shall include one or more of the following:

   - Evaluation of the supplier's quality history of providing an identical or similar product which performs satisfactorily in actual use. The supplier's history shall reflect current capability.

- The supplier's current quality records supported by documented qualitative and quantitative information which can be objectively evaluated.

- The supplier's technical and quality capabilities shall be determined by onsite evaluation of the supplier's facilities and personnel and implementation of the supplier's quality assurance program.

NOTE: Suppliers providing commercial grade items used for impact level 1, 2 and 3 applications do not require a source evaluation (or listing on the ESL) unless determined necessary based on complexity and importance to safety. (Refer to QR 7.0, Section 3.5.)

A "Request for Pre-Award Evaluation" shall be initiated and submitted to Procurement Quality Support (PQS) for processing. Exception: Initiation of a request for pre-award evaluation is not required when the cognizant QA Engineer is a member of PQS.

6. The supplier shall be notified of the results of the evaluation performed.

4.0 RESPONSIBILITIES

1. The cognizant QA engineer, when appropriate, is responsible for initiating the "Request for Pre-Award Evaluation."

2. The Manager, Procurement Quality Support (PQS) is responsible for designating the Evaluation Leader, coordinating the evaluation program, maintaining the ESL and issuing evaluation results to the appropriate buyer.

3. The Evaluation Leader is responsible for performing the evaluation of the supplier and documenting the results.

4. The buyer is responsible to notify the supplier of the results of the evaluation.

5.0 PROCEDURE

5.1 EVALUATION

5.1.1 Cognizant QA Engineer

1. Completes a Request for Pre-Award Evaluation form (Appendix 1) when a new supplier is to be evaluated.

2. Forwards the completed form to the Manager, PQS for performance of the evaluation.

3. Forwards any supporting information such as supplier QA manual, proposal review data, desk evaluation and capability information to the Manager, PQS.

5.1.2 Manager, PQS

1. Assigns an Evaluation Leader and a team, including appropriate Engineering and NDE support.

2. Reviews the resulting supplier evaluation report from the evaluation leader and indicates approval of the evaluation results by signing and dating the Evaluation Results of Suppliers form (Appendix 2) and the Evaluation Finding Report form (Appendix 5), if applicable.

3. Notifies appropriate purchasing personnel of the evaluation results.

4. Distributes copies of the evaluation results (Appendix 2), Supplier Capability form (Appendix 3) and the Evaluation Finding Report (Appendix 5), if applicable, to applicable personnel, as a minimum the cognizant QA engineer, the buyer, the cognizant engineer, and the QA manager.

5. Adds the supplier's name (if approved) to the ESL on the next revision.

6. Maintains appropriate records in accordance with QR 17.0.

5.1.3 Evaluation Leader

1. Contacts the potential supplier, via the buyer, and arranges for the evaluation to be performed.

2. Prepares the evaluation package.

   - Includes the proper checklists for the QA program requirements (i.e., NQA-1, ASME, IEEE, etc.) on the Request for Pre-Award Evaluation form.

   - Reviews the supplier's Quality Assurance/Control Manual(s), if available, and enters references on the governing checklists (Appendix 4).

- Includes the following as available:
  - Request for Pre-Award Evaluation
  - Desk Evaluation and Supporting Package
  - Evaluation Results of Suppliers Form
  - Supplier Capability Form
  - ANSI/ASME NQA-1 Checklists

3. Performs the supplier evaluation.

- Completes the checklists for, as a minimum, those Basic Requirements and Supplements that have been identified on the Request for Pre-Award Evaluation form. (Completes checklists for systems which the supplier has in place which satisfy other Basic Requirements and Supplements even though not identified on the Request for Pre-Award Evaluation form.)

- Every effort is to be made to accept existing QA programs without rewriting to NQA-1 format.

- Completes the Evaluation Results of Suppliers form and leaves a copy with the supplier.

  NOTE: Formal Evaluation Finding Reports (Appendix 5) will be transmitted to the supplier via an external letter from the buyer for supplier corrective action response.

- Completes the Supplier Capability form.

- Forwards the completed supplier evaluation package (Appendices 1 through 5) and a formal report (issued as a WHC internal memo, see Appendix 6) to the Manager, PQS after completion of the evaluation.

5.2 EVALUATED SUPPLIER LIST MAINTENANCE

5.2.1 Procurement Quality Support

1. Assures that the ESL (Appendices 7 and 8) is updated and reissued every three (3) months. Amendments to the ESL may be issued on an as needed basis. Suppliers may be added/retained to the list by one of the following methods:

   - Supplier on-site evaluation

   - ASME certification (copy must be maintained in suppliers file)

- Documented waiver approved by Manager, QA.

2. Assures that a review is made periodically to remove suppliers from the ESL list who have not had an active order, with quality requirements on which evaluated, in the previous 18 months.

   NOTE: A supplier's listing is renewed automatically for 18 months from the date of the last purchase order.

3. Ensures that record copies of completed supplier evaluation packages are maintained in the ESL administrative files.

4. Upon notification of unsatisfactory supplier performance, the Manager, PQS:

   - Investigates the circumstances.
   - Takes further action with the supplier, or recommends removal from the ESL to the Manager, QA.
   - Notifies the Manager, Quality Assurance and appropriate QA Group/Section managers on major concerns. The QA Group/Section managers notify the line managers.
   - Recommends any additional WHC actions which are necessary to assure the quality of any undelivered products.

   Examples of unsatisfactory supplier performances are as follows:

   - Significant deficiencies found in delivered hardware, requiring replacement, major repair or modification.
   - Evidence of concealment of defects or falsification of records.
   - Repeated notification of failure to take corrective action in response to known deficiencies, such as:
     - Failure to comply with procedural requirements for nondestructive examination, inspection analysis, or other special process
     - Failure to work in accordance with approved requirements
     - Failure to notify WHC of contractually required Quality Control Witness/Hold points

- Excessive nonconformities relative to items presented as being acceptable by supplier inspection

- Any QA Audit findings.

6.0 REFERENCES

1. ANSI/ASME NQA-1, "Quality Assurance Program Requirements for Nuclear Facilities."

2. WHC-CM-4-2, Quality Assurance, QR 17.0, "Quality Assurance Records."